

AMENDED IN ASSEMBLY MARCH 21, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

**No. 2155**

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**Introduced by Assembly Member Hueso**

February 23, 2012

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An act to amend Section 42100 of the Education Code, and to amend ~~Section~~ *Sections 53235.1 and 53260* of the Government Code, relating to school districts.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2155, as amended, Hueso. School districts: financial statements and financial ~~settlements~~; *settlements; ethics training*.

(1) Existing law requires the governing board of each school district, on or before September 15, to approve an annual statement of all receipts and expenditures of the school district for the preceding fiscal year, and to file the statement with the county superintendent of schools. Existing law further requires each charter school, on or before September 15, to approve an annual statement of all receipts and expenditures of the charter school for the preceding fiscal year, and to file the statement with the entity that approved the charter school.

This bill would require the annual statement of a school district to include, but not be limited to, separate line items setting forth the values of, and the purposes for which, the receipts and expenditures that were incurred by the school district superintendent and each school district administrator for the preceding fiscal year. The bill would also require the annual statement of a charter school to include, but not be limited to, separate line items setting forth the values of, and the purposes for which, the receipts and expenditures that were incurred by each charter school administrator for the preceding fiscal year. By ~~imposed~~ *imposing*

additional duties on school districts and charter schools, the bill would impose a state-mandated local program.

*(2) Existing law requires all local agency officials, as defined, to receive training in ethics, at specified intervals, if the local agency provides any type of compensation, salary, or stipend to those officials. Existing law defines “local agency,” for these purposes, to mean a city, county, city and county, charter city, charter county, charter city and county, or special district.*

*This bill would require local agency officials who serve a community college district, county office of education, or school district as of January 1, 2013, to receive ethics training by January 1, 2014, and at least every 2 years thereafter, except as specified.*

~~(2)~~

*(3) Existing law limits the amount of the maximum cash settlement that a local agency employee may receive to an amount equal to the monthly salary of the employee multiplied by the number of months left on the unexpired term of the contract, except that, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement is an amount equal to the monthly salary of the employee multiplied by 18. Existing law also limits the amount of a cash or noncash settlement that a school district may provide its district superintendent to an amount no greater than the superintendent’s monthly salary multiplied by zero to 6 if it terminates the superintendent’s contract of employment and it is confirmed pursuant to an independent audit that the superintendent engaged in fraud, misappropriation of funds, or other illegal fiscal practices. In this case, existing law requires an administrative law judge, after a hearing, to determine the amount of the cash settlement.*

*This bill would delete the requirement that it be confirmed that the district superintendent engaged in fraud, misappropriation of funds, or other illegal fiscal practices from the provision limiting the amount of the cash or noncash settlement that a school district may provide its district superintendent if it terminates the superintendent’s contract of employment, and would instead limit the amount of the settlement that a school district may provide in this instance to the district superintendent’s monthly salary multiplied by zero to 12. This bill also would delete the requirement that the amount of the cash settlement be determined by an administrative law judge after a hearing. The bill would further provide that, if the unexpired term of the district superintendent’s contract is greater than 12 months, the maximum cash*

*settlement shall be an amount equal to the monthly salary of the employee multiplied by 12.*

(3)

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 42100 of the Education Code is amended  
2     to read:  
3     42100. (a) On or before September 15, the governing board  
4     of a school district shall approve, in a format prescribed by the  
5     Superintendent, an annual statement of all receipts and expenditures  
6     of the school district for the preceding fiscal year. The annual  
7     statement shall include, but is not limited to, separate line items  
8     setting forth the values of, and the purposes for which, the receipts  
9     and expenditures that were incurred by the school district  
10    superintendent and each school district administrator for the  
11    preceding fiscal year. The governing board of a school district  
12    shall file the statement, along with the statement received pursuant  
13    to subdivision (b), with the county superintendent of schools. On  
14    or before October 15, the county superintendent of schools shall  
15    verify the mathematical accuracy of the statements and shall  
16    transmit a copy to the Superintendent.  
17    (b) On or before September 15, a charter school shall approve,  
18    in a format prescribed by the Superintendent, an annual statement  
19    of all receipts and expenditures of the charter school for the  
20    preceding fiscal year. The annual statement shall include, but is  
21    not limited to, separate line items setting forth the value of, and  
22    the purposes for which, the receipts and expenditures that were  
23    incurred by each charter school administrator for the preceding  
24    fiscal year. The charter school shall file the statement with the  
25    entity that approved the charter school.

(c) The forms prescribed by the Superintendent shall be adopted as regulations by the state board, and may be amended periodically to accommodate changes in statute or government reporting standards.

*SEC. 2. Section 53235.1 of the Government Code is amended to read:*

53235.1. (a) Each local agency official in local agency service as of January 1, 2006, except for officials whose term of office ends before January 9, 2007, shall receive the training required by subdivision (a) of Section 53235 before January 1, 2007. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.

(b) Each local agency official who commences service with a local agency on or after January 1, 2006, shall receive the training required by subdivision (a) of Section 53235 no later than one year from the first day of service with the local agency. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.

*(c) In the case of a community college district, county office of education, or school district, each local agency official in local agency service as of January 1, 2013, except for officials whose term of office ends before January 1, 2014, shall receive the training required by subdivision (a) of Section 53235 before January 1, 2014. Thereafter, each local agency official to whom this subdivision is applicable shall receive the training required by subdivision (a) of Section 53235 at least once every two years.*

~~(e)~~

(d) A local agency official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which he or she serves.

~~SEC. 2.~~

*SEC. 3. Section 53260 of the Government Code is amended to read:*

53260. (a) All contracts of employment between an employee and a local agency employer shall include a provision which provides that regardless of the term of the contract, if the contract is terminated, the maximum cash settlement that an employee may receive shall be an amount equal to the monthly salary of the

1 employee multiplied by the number of months left on the unexpired  
2 term of the contract. However, if the unexpired term of the contract  
3 is greater than 18 months, the maximum cash settlement shall be  
4 an amount equal to the monthly salary of the employee multiplied  
5 by 18.

6 (b) (1) Notwithstanding subdivision (a), if a local agency  
7 employer, including an administrator appointed by the  
8 Superintendent of Public Instruction, terminates its contract of  
9 employment with its district superintendent of schools ~~that the~~  
10 local agency employer may not provide a cash or noncash  
11 settlement to its superintendent in an amount greater than the  
12 superintendent's monthly salary multiplied by zero to ~~six~~ 12. *If*  
13 *the unexpired term of the district superintendent's contract is*  
14 *greater than 12 months, the maximum cash settlement shall be an*  
15 *amount equal to the monthly salary of the employee multiplied by*  
16 *12.*

17 (2) This subdivision applies only to a contract for employment  
18 negotiated on or after the effective date of the act that added this  
19 subdivision.

20 (c) The cash settlement formulas described in subdivisions (a)  
21 and (b) are maximum ceilings on the amounts that may be paid by  
22 a local agency employer to an employee and are not targets or  
23 examples of the amount of the cash settlement to be paid by a local  
24 agency employer to an employee in all contract termination cases.

25 ~~SEC. 3.~~

26 *SEC. 4.* If the Commission on State Mandates determines that  
27 this act contains costs mandated by the state, reimbursement to  
28 local agencies and school districts for those costs shall be made  
29 pursuant to Part 7 (commencing with Section 17500) of Division  
30 4 of Title 2 of the Government Code.